BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2021-200-E - ORDER NO. 2021-561

AUGUST 10, 2021

IN RE: United States Department of Defense and all other Federal Executive Agencies' Petition for an Order Granting a Waiver of the Queue Requirement of the South Carolina Generator Interconnection Procedures

| ORDER GRANTING | WAIVER OF QUEUE | REQUIREMENT OF THE SOUTH CAROLINA | GENERATOR | INTERCONNECTION | PROCEDURES

I. INTRODUCTION AND SUMMARY

The United States Department of Defense and all other Federal Executive Agencies ("DoD/FEA") have petitioned the Public Service Commission of South Carolina ("the Commission") for an Order granting a waiver of the requirement of the South Carolina Generator Interconnection Procedures ("SCGIP") that DoD/FEA's Combined Heat and Power Project ("Project") located at Fort Jackson be studied in serial queue order (the "Queue Requirement"), and directing Dominion Energy South Carolina, Incorporated ("DESC") to immediately conduct its study and review of the Project under the terms of the SCGIP.

The Project at Fort Jackson is for two natural gas-driven combined heat and power ("CHP") units that will service two buildings: Building 4420 and Building 11000. These buildings are known as "Starships," which are used to conduct Fort Jackson's training mission, according to DoD/FEA. These Starships contain the training areas and

classrooms, headquarters, and administration, and house the trainees. The combined power output from the CHP units will be approximately 1.0 MW, and any excess power generated will be back-fed into Fort Jackson's utility distribution system so it can be utilized elsewhere on the installation.

Because the Project will ultimately connect to DESC's electrical grid, Fort Jackson applied for an interconnection agreement on or about April 22, 2021, with DESC. Upon receiving the completed application, DESC informed Fort Jackson that its state queue position for DESC to study the Project is 537. The Project is not eligible for the SCGIP's Fast Track Process because the generators are not inverter-based resources, and the point of interconnection is to the DESC transmission system. Because DESC is unable to predict how long the studies would take for those projects ahead of Fort Jackson in the queue, DESC could not provide an estimate as to when DESC would reach Fort Jackson's number in the queue in order to study Fort Jackson's Project.

Fort Jackson was awarded a grant for this Project under the Energy Resilience and Conservation Investment Program ("ERCIP"), and it meets DoD's requirements of energy resilience, energy security, and energy conservation. According to DoD/FEA, indefinite delay due to the SCGIP Queue Requirement will hinder DoD's statutory requirement to ensure the readiness of the armed forces for their military missions through energy security and energy resilience. Additionally, excessive delay could increase the Project's overhead costs, which ultimately could force Fort Jackson to terminate the Project if costs become too high.

DoD/FEA states that this Commission has the authority to waive any requirement under the SCGIP if it is in the public interest. Commission Order No. 2020-535, issued in Docket No. 2020-63-E¹, held that the Commission has the authority to waive all or any part or portions of the requirements of the South Carolina Generator Interconnection Procedures if it is within the public interest. The Bridgestone array and the circumstances surrounding that array in Docket 2020-63-E created some unique circumstances not existing with most interconnection situations. Clearly, the present case has unique circumstances as well, which are somewhat similar to the Bridgestone circumstances. An example is the fact that Bridgestone intended to consume all electricity generated by the solar array in question. In the present case, the energy generated by the combined heat and power units in question is intended to be consumed entirely by Fort Jackson. Accordingly, the Commission believes once again, under these circumstances, that it has the authority to waive all or any part or portions of the requirements of the South Carolina Generator Interconnection Procedures, since it is in the public interest to do so.

DESC intervened in this Docket. Based upon this Commission's prior ruling in Order No. 2020-535 in Docket No. 2020-63-E and the unique facts and circumstances of this particular case, DESC stated it has no objection to DoD/FEA's request for a waiver of the Queue Requirement. After a full examination of the record in this case, this Commission finds that it is in the public interest for waiver of the Queue Requirement in this matter, and to require DESC to expedite its review, perform the necessary studies,

¹ Petition of Bridgestone Americas Tire Organization, LLC for an Order Compelling Dominion Energy South Carolina, Incorporated to Allow the Operation of a 1980 kW AC Solar Array as Authorized by State Law.

and proffer an interconnection agreement that will allow the Project to operate upon execution and compliance with the terms of the interconnection agreement.

II. FINDINGS OF FACT

After review of the Petition and all of the evidence in the record, the Commission makes the following findings of fact:

- 1. DoD/FEA has petitioned the Commission for a waiver of the SCGIP's Queue Requirement, and for an Order requiring DESC to immediately conduct its study and review of the Project under the terms of the SCGIP.
 - 2. The Project at Fort Jackson is for two natural gas-driven combined heat and power ("CHP") units that will service two buildings: Building 4420 and Building 11000.
- 2. The combined power output from the CHP units will be approximately 1.0 MW, and any excess power generated will be back-fed into Fort Jackson's utility distribution system, so it can be utilized elsewhere on the installation.
 - 3. The present Queue position for study of the Project by Dominion is 537.
- 4. DESC could not provide an estimate as to when DESC would reach Fort Jackson's number in the queue in order to study Fort Jackson's Project.
- 5. Fort Jackson was awarded a grant for this Project under the Energy Resilience and Conservation Investment Program ("ERCIP"), and it meets DoD's requirements of energy resilience, energy security and energy conservation. The Project could be cancelled if a delay is excessive.

6. This case presents unique facts and circumstances, some of which are similar to the facts and circumstances of the Bridgestone matter, adjudicated in Order No. 2020-535.

III. CONCLUSIONS OF LAW

After review of the Petition and all of the evidence in the record, the Commission makes the following conclusion of law:

- 1. DESC intervened in this Docket. Based upon this Commission's prior ruling in Order No. 2020-535 in Docket No. 2020-63-E and the unique facts and circumstances of this particular case, DESC stated it has no objection to DOD/FEA's request for a waiver of the Queue Requirement.
- 2. It is in the public interest for waiver of the Queue Requirement in this matter, and DESC should be required to expedite its review, perform the necessary studies, and proffer an interconnection agreement that will allow the Project to operate upon execution and compliance with the terms of the interconnection agreement.

IV. ORDERING CLAUSES

- 1. The Queue Requirement found in the South Carolina Generation Interconnection Procedures is hereby waived under the circumstances of this case.
- 2. DESC shall expedite its review, perform the necessary studies, and proffer an interconnection agreement that will allow the Project to operate upon execution and compliance with the terms of the interconnection agreement.

3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Justin T. Williams, Chairman Public Service Commission of South Carolina